

ANNUAL USE OF CAPITAL SURVEY - 2009**NAME OF INSTITUTION**

(Include Holding Company Where Applicable)

BCSB Bancorp, Inc.

Person to be contacted regarding this report:	Joseph J. Bouffard
CPP Funds Received:	\$10,800,000
CPP Funds Repaid to Date:	\$0
Date Funded (first funding):	12/23/2008
Date Repaid ¹ :	

RSSD: (For Bank Holding Companies)	
Holding Company Docket Number: (For Thrift Holding Companies)	H4399
FDIC Certificate Number: (For Depository Institutions)	32341
City:	Baltimore
State:	Maryland

¹If repayment was incremental, please enter the most recent repayment date.

American taxpayers are quite interested in knowing how banks have used the money that Treasury has invested under the Capital Purchase Program (CPP). To answer that question, Treasury is seeking responses that describe generally how the CPP investment has affected the operation of your business. We understand that once received, the cash associated with TARP funding is indistinguishable from other cash sources, unless the funds were segregated, and therefore it may not be feasible to identify precisely how the CPP investment was deployed or how many CPP dollars were allocated to each use. Nevertheless, we ask you to provide as much information as you can about how you have used the capital Treasury has provided, and how your uses of that capital have changed over time. Treasury will be pairing this survey with a summary of certain balance sheet and other financial data from your institution's regulatory filings, so to the extent you find it helpful to do so, please feel free to refer to your institution's quarterly call reports to illustrate your answers. This is your opportunity to speak to the taxpayers in your own words, which will be posted on our website.

What specific ways did your institution utilize CPP capital? Check all that apply and elaborate as appropriate, especially if the uses have shifted over time. Your responses should reflect actions taken over the past year (or for the portion of the year in which CPP funds were outstanding).

<input checked="" type="checkbox"/> Increase lending or reduce lending less than otherwise would have occurred.	Since the receipt of TARP funds our company has increased lending activity modestly. However this was not likely a result of the receipt of TARP funds since our company never stopped lending, before or after the receipt of TARP funds.
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<input checked="" type="checkbox"/>	To the extent the funds supported increased lending, please describe the major type of loans, if possible (residential mortgage loans, commercial mortgage loans, small business loans, etc.).	Commercial mortgage loans.
<input checked="" type="checkbox"/>	Increase securities purchased (ABS, MBS, etc.).	Our Company purchased \$10,600,000 in securities in January 2009. This was primarily the result of investing excess liquidity and not due to the receipt of TARP funds.
<input type="checkbox"/>	Make other investments	
<input checked="" type="checkbox"/>	Increase reserves for non-performing assets	From December 31, 2008 through March 31, 2010, our Company has increased the amount recorded in loan loss provisions; likewise the balance in the ALLL has increased . The actual amounts will be disclosed when this information is publicly released at the end of April 2009.

<input checked="" type="checkbox"/>	Reduce borrowings	Our Company did not reduce borrowings. Aside from Trust Preferred securities at our holding company level, we did not have any borrowings immediately prior to the receipt of TARP funds and we do not have any borrowings now.
<input checked="" type="checkbox"/>	Increase charge-offs	We provide specific reserves at the time potential losses are identified. The actual amounts reserved from December 31, 2008 to March 31, 2010 in specific loss reserves on loans will be disclosed when this information is publicly released.
<input type="checkbox"/>	Purchase another financial institution or purchase assets from another financial institution	
<input checked="" type="checkbox"/>	Held as non-leveraged increase to total capital	The vast majority of of CPP funds were not leveraged and therefore held as a capital reserve.

What actions were you able to avoid because of the capital infusion of CPP funds?

There were no specific actions that we were able to avoid as a result of the capital infusion of CPP funds.

What actions were you able to take that you may not have taken without the capital infusion of CPP funds?

The receipt of TARP funds allowed us to lend more confidently because it supplied us with an additional capital cushion in a declining economy.

Please describe any other actions that you were able to undertake with the capital infusion of CPP funds.

None